VZCZCXRO8740

OO RUEHCHI RUEHDT RUEHHM

DE RUEHBK #3745/01 1741233

ZNY CCCCC ZZH

O 231233Z JUN 06

FM AMEMBASSY BANGKOK

TO RUEHC/SECSTATE WASHDC IMMEDIATE 9677

INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RHEFDIA/DIA WASHDC

RHHMUNA/HQ USPACOM HONOLULU HI
RHHMUNA/CDR USPACOM HONOLULU HI
RHFJSCC/COMMARFORPAC

C O N F I D E N T I A L SECTION 01 OF 02 BANGKOK 003745

SIPDIS

SIPDIS

E.O. 12958: DECL: 06/22/2016

TAGS: PGOV PHUM TH

SUBJECT: PRIME MINISTER THAKSIN'S BAD DAY AND OTHER UPDATES

Classified By: Political Counselor Susan M. Sutton, reason 1.4 (b) (d)

11. (C) SUMMARY: According to leaks in the press, on June 22 the EC recommended the dissolution of Thai Rak Thai (TRT). The Office of the Attorney General now has the case, and will vote on June 27 whether to forward it to the Constitutional Court for a ruling. Deputy Prime Minister Wissanu announced his resignation on June 22 as well, making it a bad day for PM Thaksin. Former TRT members and others say that many party members are sticking with TRT largely for the money; we hear that the party members are discouraged. The Democrats insist that there is no real threat from the dissolution case against them, but many contacts suspect it will be both or nothing in the dissolution cases. In any case, dissolution turns out not to be such an enormous penalty. If a party is dissolved, its leaders cannot found another party or serve an executive board, but they can be MPs or even ministers, (provided they're not subsequently convicted on a any criminal charges.) The events of this week probably shook up TRT, but many are still loudly proclaiming that the party will weather the attacks. END SUMMARY.

THAI RAK THAI DISSOLUTION CASE

- ¶2. (U) The embattled Election Commission caved in to the Office of the Attorney General on Thursday, June 22. It returned the Thai Rak Thai (TRT) dissolution case to the Office of the AG, along with its assessment of the section of law TRT violated, and the recommended penalty. It asked the Office of the AG to keep the EC recommendation confidential. It leaked within hours, and it is now generally reported that the EC recommended that TRT be dissolved for violating provisions of the Organic Act on Political Parties. The provisions cited are Article 66 (1) and (3):

 "The Constitutional Court may issue an order dissolving a political party which has carried out any one of the
- (1) an act which shall overthrow the democratic regime of government with the King as the Head of the State or shall gain the power in administration of the State by unconstitutional means;
- (2) an act which may be adverse to the democratic regime of government with the King as the head of the State under the Constitution
- (3) an act which may endanger the security of the State, or may be contrary to law or public order or good morals.
- 13. (U) The AG met today (June 23) to review the case. If the AG agrees with the EC recommendation, it will forward the case to the Constitutional Court for decision. If not, the AG and EC will form a joint committee to review the case. The Office of the AG reported that they will need several days to review the 2000 pages of the file, and they intend to

vote on the case on Tuesday, June 27. It seems unlikely that the AG will reach a different conclusion than the EC, but we do not know what pressure may be brought to bear.

ABANDON SHIP?

- 14. (U) Deputy Prime Minister Wissanu Krea-Ngam announced on Thursday that he would resign from his government position and return to work as an academic. Wissanu was not a TRT MP or even, as far we can ascertain, a member. He was a talented bureaucrat who served, by his own account, "10 governments and seven prime ministers." He was an important defender of TRT policies while in the government, and helped to put the best face on controversial decisions. He follows his cousin Borwornsak Uwanno, the Cabinet secretary-general who resigned on June 6 (although he will not become a monk, as Borwornsak did.) He refuses to comment on why he resigned.
- 15. (C) There is much speculation on who might be next, Commerce Minister Somkid and Education Minister Chaturon are mentioned, possibly because both still enjoy some respect among the educated citizens, and also because both seem to be clearly out of the running as potential replacement Prime Ministers if Thaksin does not return to office. We heard that Somkid may use his upcoming travel to the US and Europe to lobby for a WTO position.
- 16. (C) We keep asking why more TRT members aren't heading for the exit. One member who did bolt, Dr. Likhit Thirawekhin, is already promoting his own new party. He was a political science professor at Thammasat and former deputy interior minister; he was a TRT MP from the party list in the last parliament. He told us, "My wife said that the honor of our family had increased significantly" after his resignation

BANGKOK 00003745 002 OF 002

from TRT. His former students had written to him asking him to leave the party. He had gotten tired of the indignity of being in a party that permitted members no real freedom to contribute to party policy. He says he is not concerned if his new party (Force of the Thai Land) does not win many seats in parliament; he wants "to be a force" for clean and responsible government. The party will focus on educating voters and supporting political reform. Several other lesser-known TRT members have joined him. Others stay in TRT, he claimed, largely because of the financial benefits that TRT pays adherents.

17. (C) The son of former PM Banharn Silapa-Archa had an interesting, if unconfirmable, rumor, he heard from friends in TRT. He said that, after Thaksin's May 19 audience with the King, Thaksin gave TRT members an encouraging readout or the meeting. Thaksin told them the King had said that the Electoral Commission could stay in their positions, that it was fine that Thaksin had returned to work, and that the Courts had misunderstood the King's April 25 speech. The King allegedly said that he would set the record straight with the Courts. According to Silapa-Archa, this greatly encouraged the TRT members, who are now disappointed that nothing of the kind occurred. He described his TRT friends as disheartened; unable to speak candidly within the party and constantly afraid that other party members will stab them in the back.

A POX ON BOTH THEIR HOUSES

18. (C) The EC has not yet finalized their position on the Democrat party dissolution case. A prominent Democrat told us that the case was not serious, and was mainly a nuisance; she said that she was not concerned about it. Others are not so sure. If a bookie were taking bets, a lot of punters and pundits would put money on either both parties facing dissolution, or neither of them. (Comment: This being Thailand, there probably is somewhere you can gamble on this

question. End comment.) We asked a prominent jurist on the Supreme Court secretariat to assess the likely outcome of the case. He anticipated that TRT could successfully defend itself against dissolution by arguing that it was only the action of an individual, Gen. Thammarak, to pay off the microparties, not the action of the whole party. We asked whether the public would really believe that Thammarak had undertaken this project on his own, without Thaksin knowing anything about it. The judge laughed uncomfortably, and conceded, "if the Court wants the truth, it will have to dissolve TRT."

AND SO WHAT?

19. (C) As it turns out, party dissolution is not a serious a penalty as most people here thought. It was the general view (and ours, until we double-checked the law) that party dissolution carried a five-year ban on political activity by the party's executive board (several dozen party leaders). In fact, the law specifies that executives of dissolved party may not found a new party or serve on the executive board of another party. There does not appear to be any restriction on them becoming MPs or even ministers. There is a provision for the party assets to be given to charity (which would hurt the poor Democrat party more than the wealthy and financially-astute TRT.) The main penalty would appear to be the moral impact and loss of face. Depending on the grounds for dissolution, criminal charges might also follow, which would result in a real political ban.

COMMENT

110. (C) We have speculated that TRT members must be feeling enormous pressure from family and people they respect to separate themselves from the party. The account of ex-TRT member Dr. Likhit supports that theory, This week's EC decision will probably shake the members up still further, but the party has shown remarkable resilience, and a readiness to fight every step of the way.

ARVIZU